Samadhan Scheme, 1998, together with an explanatory memorandum thereon.

I STATUTORY RESOLUTION SEEKING DISAPPROVAL OF THE OILFIELDS (REGULATION AND DEVELOPMENT) AMENDMENT ORDINANCE, 1998

II. THE OILFIELDS (REGULATION AND DEVELOPMENT) BILL, 1998

THE DEPUTY CHAIRMAN: Now, we shall take up the Statutory Resolution. Shri Gaya Singh, Shri Gurudas Das Gupta, Shri J. Chitharanjan, Shri Kapil and Shri Nilotpal Basu. I think all these Members are not very serious to move it. They should know once they give a notice.....*(Interruptions)*...

SHRI J. CHITHARANJAN (Kerala): Madam, I move:

> "That this House disapproves of the Oilfields (Regulation and Development) Amendment Ordinance, 1998 (No. 17 of 1998) promulgated by the President on the 3rd September, 1998."

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI K. RAMAMURTHY): Madam, I beg to move:

> "That the Bill further to amend the Oilfields (Regulation and Development) Act, 1948, as passed by the Lok Sabha be taken into consideration."

THE DEPUTY CHAIRMAN: Would you like to speak on it?

SHRI K. RAMAMURTHY: If the House desires, I will speak.

THE DEPUTY CHAIRMAN: No, no. You have to speak and explain to the House why are you going to do it. It is a motion you have moved for of this Ordinance. For that, you have to give an explanation, why have you brought this Ordinance in the first place.

SHRI K. RAMAMURTHY: Madam, Deputy Chairperson, I am thankful to the House for having taken to this Bill for consideration. The Ordinance was promulgated by the President of India on 3rd September, 1998 with regard to the Oilfields (Regulation and Development) Act, 1948. This Bill was introduced in the Lok Sabha during the last Session but could not be taken into consideration because of paucity of time. This Bill was necessitated because of an Ordinance promulgated by the President on 3rd September, 1998, and it has to be approved by both the Lower House and the Upper House to make it into an enactment. This Bill is nothing but an enabling provision which empowers the Government of India to have certain amendments in the fixation of the royalty and also in the fixation of different rates for the oil minerals which are there in the existing Royalty Act. Presently, the Government of India is empowered to fix the royalty-percentage in a three year block period both on off-shore and onshore. It is being getting delayed. Many State Governments have approached the Ministry and the Government of India for amendment. Undue delay in settlement of the royalty is also making a lot of revenue adjustment in the States concerned. For example, from 1993 to 1996 and till 01.04.1998, we could not finally settle the royalty bill because a certificate is due from the CAG. We are paying royalty on an ad hoc basis. At present our requirement of oil is around 91 million metric tonnes per annum against the present indigenous production of 34 million metric tonnes per annum. The requirement is likely to go up in the 9th Plan period. The 9th Plan projection is, 122 million metric tonnes. It is expected that there will be a gap of about 39 million metric tonnes between demand and indigenous production. "he Government of India from 1993 onwards is making efforts for effering certain blocks. Madam, certain blocks have been identified and have been given to the private entrepreneurs — both inside and outside the country — and also to joint ventures of our own national oil companies for private exploration.

Thereby we not only wanted to increase the production, but we also wanted to invite a larger capital investment from ouside. We have completed all formalities to float the new exploration licencing policy accordingly. In the coming year, 1999, we are going to float about 48 blocks — on-shore, off-shore, deep-sea water drilling and also shallow water drilling — for private exploration facilities. This is one of the points are the national level — when you go in for offering all the new blocks for exploration to private individuls, private companies, joint ventures, multinationals or transnationals, the Government of India has to fix a different rate for the same oil minerals in different categories Here, I would like to clarify that so far as the royally is concerned, the State Governments will not be disturbed at all because this amendment is only for off-shore drilling. Secondly, quite often the State Governments insisted upon us that the fixation of royalty, whenever the Goverment of India or the State Government wanted for a revision in the royalty rates....*(Interruptions)*....

SHRI JOHN F. FERNANDES (Goa): Madam, this is both for the on-shore and the off-shore drilling.

SHRI K. RAMAMURTHY: No, the amendment is specially for off-shore drilling.

SHRI J. CHITHARANJAN: What about section 4?

SHRI K. RAMAMURTHY: Yes, section 4 is there. But, it is only for off-shore drilling. We have fixed 12.5 per cent royalty. On-shore drilling is not at all disturbed. Madam Deputy Chairperson, also because of this new exploration licencing policy, we have to go in for the second time. Now, we need a different rate of fixation of royalty for off-shore drilling and the three-year block is also being removed. Wherever the Government thinks it fit to revise, it will be revised. It will not have to wait for the block period of three years. So, these were all the matters on which. the Government thought it fit that an amendment should be carried out. Since it could not be done in the last session of the Parliament, the President of India had promulgated an Ordinance on the 3rd September, 1998. The new exploration licencing and also the 48 blocks are going to be offered to the public by January, 1999. So, because of this urgency we have brought this Bill. The promulgation of the Ordinance was also necessitated because of this reason only.

The questions were proposed.

THE DEPUTY CHAIRMAN: The Statutory Resolution and the Bill are now open for discussion. I would call Shri John F. Fernandes.

DR. BIPLAB DASGUPTA (West Bengal): Madam, today the Busines Advisory Committee is going to sit. This has come too late. I suggest that we should postpone the discussion now. We can discuss it tomorrow, whenever it is convenient. In 10 or 15 minutes we would not be able to cover much.

THE DEPUTY CHAIRMAN: What will we do till 5.30. So, till 5.30 we will discuss this Bill. Whatever discussion can take place today, we will finish and the rest of the discussion can take place tomorrow.

DR. BIPLAB DASGUPTA: Usually we adjourn at 5.0'clock. For the last two days we have been adjourning at 5 0' clock.

SHRI VAYALAR RAVI (Kerala): There are 10 minutes more. We have to do some business. ...*(Interruptions)*...

THE DEPUTY CHAIRMAN: Dr. Biplab Dasgupta, in any case you will have to sit here because till 5.30 you will have to wait for the Business Advisory Committee's meeting.

We might as well do some business in the House.

SHRI T.N. CHATURVEDI (Uttar Pradesh): This morning we talked about

the seriousness ot the business being transacted in the House. *(Interruptions)*

THE DEPUTY CHAIRMAN: There is no harm. It is not 5 o'clock yet. It is ten minutes to five. Mr. John. F. Fernandes.

SHRI JOHN F. FERNANDES: Madam, before I speak, I want to point out one thing. From the time the winter session started, Doordarshan is shooting the proceedings in the House with remote control cameras. Over here, just above the Opposition benches the camera is missing. I do not know who is to be blamed for it.

THE DEPUTY CHAIRMAN: Where is the camera?

SHRI JOHN F. FERNANDES: I think it is not there because we did not have a full-time I & B Minister. But, from Saturday onwards we have Mr. Pramod Mahajan. So, I think it should be restored. I don't know why the Opposition is being discriminated. Is this the way to scuttle the Opposition? *(Interruptions).* Then why is it so? Only this camera is missing.

THE DEPUTY CHAIRMAN: One minute. I want to find out.

1,2,3,4 and 5. Is there any camera on this side? I cannot see it.

SOME HON. MEMBERS: Yes, it is there.

THE DEPUTY CHAIRMAN: Is there any camera on this side?

SOME HON. MEMBERS: Yes, it is there.

THE DEPUTY CHAIRMAN: Is there one on this side? Let us find out. W

लगाइए कि क्या रिपेयर होना है या क्या होना हैं?

SHRI JOHN F. FERNANDES: This is happening from the beginning of this session. We are not well covered. It is not that we are for publicity. They should not discriminate the Opposition from the Treasury Benches.

THE DEPUTY CHAIRMAN: Blocking you out.

SHRI JOHN F. FERNANDES: We have the I & B Minister, Mr. Pramod Mahajan as a Member of this House. I think he will take care of this.

THE DEPUTY CHAIRMAN: I think these two cameras which are in front of you are focussing on you very nicely.

SHRI JOHN F. FERNANDES: But we are portrayed with an angle. Anyway ...*(Interruptions)*

THE DEPUTY CHAIRMAN: They are there for you. Now I know why you are speaking so much.

SHRI JOHN F. -FERNANDES: Madam, I rise to support this Bill because there is no other option before this House. This has been certified as a Finance Bill by the President. This Bill was introduced in the Lok Sabha on the 27th of July, 1998. This new Exploration Bill was announced by the Government during 1996, in the month of April-May, when there was no session. During the interregnum this Government allowed 22 blocks to private sector. And ONGC which is a public sector undertaking, which was declared as a *Navaratna* by this Government, was an applicant for these blocks. They have applied for 28 biocks. And the public sector was not given any block. All the 22 blocks went to the private sector. Now, we talk of level-playing fieid. We talk of a new Exploration Licensing Policy. Who is sitting in authority to issue these licences. I am told that a Committee of Secretaries has been formed. Three or four secretaries sit as the licensing authority. During a question in the last session, the Prime Minister was kind enough to reply to me. The hon. Minister was absent at that time, the MOS was there. On my recommendation the Prime Minister intervened to say that they would appoint a Licensing Authority in order to have transparency. When you speak of level-playing field in privatisation, it does not only mean showing support and favour to private sector, privatisation means, you also allow public sector to compete. That

is not happening. You issued these 22 licences in April-May. I do not know what was the hurry for the Government to issue these licences much before you brought this Bill before the Parliament. You brought this Bill only in July. Then we saw that this Bill was not passed. We saw that you sought recourse to an Ordinance. You issued an Ordinance on 3rd September, 1998. This Bill has been passed by the Lok Sabha. Now, rightly it has come to the Rajya Sabha. On the earlier Bill the date or notification was mentioned. Now, that clause has been withdrawn from that part of the Bill. It has already come into force because it is a Finance Bill. It has come into force from 30th September, 1998. I do not know what the hurry was for the Government to issue this privatisation block under the new policy much before you brought this Bill before the Parliament. What was the hurry when it was not it come into force? Something went wrong there. Some hanky-panky thing was done and there was no transparency. Therefore, I would request the hon. Minister for Petroleum and Natural Gas to see that you have a statutory licensing authority, where you do not put bureaucrats, who will listen to your command. You have a retired judge like in the National Highway Authority or the Telecom Authority where you have a retired or a sitting judge of the High Court or the Supreme Court. That is where the public sector undertakings will have a level-playing field. Otherwise we know what will be the state of the public sector undertakings. ONGC is the so-called *Navratna.* When you are allowing them to play in the field, I do not know what type of exploration you are going to have. They are the people who have the know-how and they sustain the economy of the country. Therefore, I would like to know from the hon. Minister as to what made them to allot the block first and that too only to the private sector. ONGC had submitted 28 applications. The ONGC deposed before the Committee on Sub-ordjnate Legislation of the Rajya Sabha and that was the information given to the Committee. The Government may deny it. But, he may have the information from the officials and come to the House.

The hon. Minister says that by amending Section 69, Sub-section 4, he will maintain 12.5 per cent royalty on onshore.

SHRI K. RAMAMURTHY: No, on off-shore.

SHRI JOHN F. FERNANDES: On off-shore you are going to give 10 per cent within 400-metres.

SHRI K. RAMAMURTHY: Subsection 4 is related to the amendment on off-shore as well as on on-shore. As far as off-shore is concerned, that is completely under the purview of the Government of India. Whenever the State Government demands or whenever the Central Government thinks fit for revision of rates or for fixation of rates, it will have the enabling provision to go in for the fixation of the rates as well as the time frame in consultation with the State Government.

SHRI JOHN F. FERNANDES: There are three slabs or royalty: 12.5 per cent for on-shore, 10 per cent for off-shore within 400 metres and half of 10 per cent i.e. 5 per cent beyond 400 metres on the frontier. That is what the Bill says. When the hon. Minister replies, he can clarify this point.

Now, we are going to give licence to the licensing authority. Whatever it may be, without first coming before Parliament they can impose royalties and then lay it on the Table of the House, because Section 10 is sought to be amended.

The Government is also taking power even to wave this royalty, if it is found by the Government that in the case of certain oil company exploration was not successful. Then the Government can wave it for seven years. That is also provided in the Bill. So, what I am saying is that this Parliament is going to give

ample power to the administration to levy these taxes through Executive Orders. I am not against it. There is a provision in this Section that it will come before Parliament and it will be laid on the Table of the House.

This policy was announced two years back. On the 1st of April the Government had announced that they will do away with the administered pricing mechanism (APM). On the 1st of April, 1998, the Government started this mechanism by going to monthly basis. Earlier we were doing on three-yearly basis.

I think that is a good thing in the country to rely on indigenous petroleum products, because whatever crude is imported by the Government at the moment, it imposes a cess of 45 per cent on it.

5.00 P.M.

The moment we import crude oil, you collect 25 per cent towards customs duty. Anyway, you keep on changing it, from time to time. I think roughly it is 25 per cent.

SHRI K. RAMAMURTHY: In the last Budget it was reduced to 22 per cent.

SHRI JOHN F. FERNANDES: Okay, I stand corrected. It is 22 per cent. Then, you have 20 per cent excise duty. If you add both, then it will come to 42 per cent. Then about the petroleum cess. So it comes to about 45. So, I think, it is a right decision the Government has taken to see that in the name of subsidising the social obligation, the common man of this country will not be fleeced. Finally, whatever may be price of petroleum products, it affects the poorest of the poor of this country. As you know, the transportation, the cost failures taken up together and the poorest of the poor who doesn't even own a vehicle has to pay for it. I think it is a good policy of the Government. I don't have much reservation, but the way in which the Government is acting.

The hon. Minister had mentioned that they are going to put 48 blocks.

THE DEPUTY CHAIRMAN: Do you mean to say that it is a good policy of the Government to fleece the poor?

SHRI JOHN F. FERNANDES: No, Madam. They will stop imports. The moment we explore locally, theyjtoiH not charge the customs duty and the Government will reduce the excise duty. This is the pretext the Government is doing and they are charging 45 per cent tax. Then, there is the sales tax imposed by the State Government. So, on petroleum products, the Indian citizen has to pay 50 per cent tax. So, this will be done away with to some extent. That is what I am saying. The justification of the Government is to subsidise the poor people. That is what we are doing for the Indian Airlines also..... *(Interruptions)*.... Now, they have collected about Rs. 28,000 crores towards oil cess. That has not been invested for the development of the petroleum sector. This is only a pretext. The hon. Minister said that they are going to lease about 48 blocks, and open others. I do not know how they are going to lease them out. As I have mentioned earlier, you don't have a licensing authority. An assurance had been given by the hon. Prime Minister, Mr. Vajpayee in this House, in the last session. You may please check up. I think that also should have been incorporated in this Bill to have a licensing authority. You don't have a licensing authority. Therefore, there won't be transparency. I don't think the purpose for which this Bill has been brought forward before this House would be achieved. The elections will come and the elections will go. Every political party will collect funds for the elections. As a result of this, there will be favouritism. By offering these blocks to other, the monopoly of the public sector, the ONGC would be done away with. You will put fetters on the public sector undertakings. In the name of privatisation, you will bring in

multinational companies. This is how you would destroy the ONGC and the public sector undertakings. Therefore, I would request the hon. Minister to set up a transparent licensing authority under the statute, but not the Secretaries Committee, wherein three Secretaries would head it would take the orders from the Government and from the hon. Minister and then you will smell scams after scams. Therefore, as per the assurance given by the hon. Prime Minister, I would request the hon Minister to see that this authority is put in place.

Madam, I support this Bill because this has already been passed by the Lok Sabha. We cannot oppose it. Thank you, Madam.

THE DEPUTY CHAIRMAN: As far as the camera is concerned, I have been informed that it has gone for repair.

SHRI JOHN F. FERNANDES: Madam, they have not been there for the last seven days.

THE DEPUTY CHAIRMAN: They will expedite it. But the only thing I want to add here is that your profile won't come. But your front portion would be there because that camera only covers the profile of the Opposition. These cameras cover the front portion of the Opposition. So, everything will be visible.

Shri Dave.

श्री अनन्तराय देवशंकर दवे (गुजरात): उपसभापति जी,माननीय मंत्री जी जो ऑयलफील्ड्स अमैंडमैंट बिल यहां लाए हैं,मैं उसका हार्दिक समर्थन करता हूं । बिल बहुत छोटा है । जैसाकि अभी फर्नांडिस जी ने बतायाकि ऑन शॉर ऑफ शॉर पब्लिक अंडरटेकिंग के लिए कुछ नुकसानदायक हो,ऐसाकुछ इस बिल में नहीं है । ऐसी मेरी जानकारी है कि माननीय मंत्री जी और इस सरकार ने यह बड़ा अच्छा कदम उठाया है । हमारे देश में जो ऑयल प्रोडक्शन है और जो डिमांड है उसमें भी काफी गेप रहता है और इस गेप को मीट विध करने के लिए किसी न किसी तरीके से कुछ न कुछ अवश्य करना चाहिए जिसकी वजह से यह बिल आया है । इसलिए हम सब लोग इस बिल का समर्थन करते हैं क्योंकि इस बिल में ऐसी कोई चीज नहीं है जिसकी वजह से देश का नुकसान हो ।

आज देश में तेल की कमी है और गांवों में गेस की कमी है । हम सभी जगहों पर यह मुश्किल परिस्थिति महसूस कर रहे हैं । ऐसे समय पर यह अच्छा बिल आया हैं । इसमें बहुत शॉर्ट प्रोविजन है । लेकिन मैं एक-दो चीजों की तरफ मंत्री जी का ध्यान खींचना चाहता हूं कि हमारे देश में जहां पर यह ऑयल निकलता है । मान लीजिए कि कर्नाटक की गोदावरी बेसिन हैं,नार्थ ईस्ट फरन्टियर एजेन्सी है,गुजरात है,कई जगहों पर आयलफील्ड्स बने हुए हैं,आप प्राइवेटाइजेशन कर रहे हैं। आपने अभी बताया,हम स्टेट्स गवर्नमेंट को कंसलट करेंगे । आज के दिन तक स्टेट्स गवर्नमेंट को एड्हॉक बेस पर रॉयल्टी दी जाती है । मैं मानता हूं कि इस बिल में स्टेट्स गवर्नमेंट को कसंलट करने का कोई प्रावधान नहीं है । लेकिन जब यहां एश्योरेन्स दिया जा रहा है कि स्टेट्स गवर्नमेंट को आप कंसलट करेंगे तो मैं यह मानता हूं कि आज भी ऑन-शॉर पर प्राइवेटाइजेशन करने का सैण्ट्रल गवर्नमेंट को पूरा अधिकार है । तेल देने का,लाइसेंस देने का प्राइवेटाइजेशन करने का भी पूरा अधिकार है लेकिन जमीन की मालिक आज भी स्टेट गवर्नमेंट है । मॉयनिंग लीज,परमिशन लाइसेंस लेने के लिए स्टेट गवर्नमेंट के पास जाना पड़ेगा और रॉयल्टी आज के दिन एक एड्हॉक बेस पर दी जाती है । गुजरात में तेल निकलता है । कर्नाटक में और नार्थ ईस्ट में निकलता है लेकिन एडहॉक बेस पर गवर्नमेंट रायल्टी दे रही है । इस परिस्थिति पर काबू पाने के लिए मेरा माननीय मंत्री जी से अनुरोध है कि वे पहले स्टैट गवर्नमेंट से मिलकर फिक्स कर लें कि जो आप उनको दे रहे हैं वह बहुत कम है और किस तरीके से उसे बढ़ाया जाए क्योंकि सम्पत्ति उनके यहां से निकलती है । इस बारे में मेरा यह सुझाव है कि एक अमैंडमेंट लाकर इस बिल में प्रावधन करें कि स्टेट में जो लोग काम करने के लिए आएं,सारा पैसा उनकी जेब में जाए तभी हम स्टेट गवर्नमेंट को कुछ दे सकते हैं । इसलिए आप कोई अमेंडमेंट करके इसके लिए कोई प्रावधान करें ताकि स्टेट गवर्नमेंट की रॉयल्टी का रेट फिक्स हो सके । यह मेरा छोटा सा सुझाव है । आप बड़ा अच्छा बिल लेकर यहां आये हैं । मैं इस बिल का हृदय से समर्थन करता हूं ।

SHRI DIPANKAR MUKHERJEE (West Bengal): Madam Deputy Chairman, I would first talk on the resolution disapproving the Ordinance.

{Interruption). Gautam]! is here. Whenever an Ordinance is brought *...(Interruptions).* Mr. Minister, last time also, when your colleague, Mr. Rangarajan Kumaramangalarn, brought in an Ordinance, I had repeated certain words that my friends used to speak when they were here. I do not want to make any comments excepting to ask why this Ordinance was necessary. That is the first question which could not be replied to properly. What has happened between 3rd September, 1998 and 8th December, 1998? What exactly did you achieve within these two months by bringing in an Ordinance? What exactly has been achieved? When we speak about the oil sector, the experience of this country has been that we have been hearing about investment. We have been hearing about making this policy more acceptable to the investors. We have been talking and talking. But where is the oil? What has happened during the last two years? The hon. Minister was a trade union leader. So, it is- not a criticism. Do you have any fixed policy in this country? We are talking about oil requirement. During this year, that is 1998-99, we have an estimated shortage of 57 million tonnes of crude oil and there is a shortage of about 20 to 23 million tonnes in respect of petroleum products. What did you achieve out of this? After the new exploration policy, some more people may come. What did you achieve? I know that you are a trade union leader. I do not know how far you have been successful as a Minister. As a trade union leader, I know you. Please go through it. What has happened during the last two years? If you are inviting the private investors, you have to have all this. It may be all right for a few of them. But what happened to the people who arc there for exploring oil with you? What happened to the ONGC? How many oil fields were given on nomination basis to them? Why were they not given? I am referring to the last $1^{1/2}$ years. I am giving an example. Are you really interested in oil? Rs. 40,000 crores are going towards import. In "Raniganj and Jharia, for the last *VA* years, Mr. Minister, irrespective of who the Minister is, who the Chairman of the ONGC is, certain things are happening. You should have a feed stock policy. In Raniganj, in West Bengal, during 1996, an order was passed that the rig would go there, the ONGC will do the drilling. There was an order that from the western region, it will go to the eastern region, that is, to

CRBC in Calcutta. Till now I am being' told that the ONGC will not do it. Some private fellow will come. Neither the private fellow has come nor was the ONGC doing it. For the last IVi years, there is no rig for drilling. What was the reason for not doing the exploration at this place? I am told that it will be diverted to Parbatpur. What has happened in Parbatpur? This is s coal bed methane. This is because we do not have any feed-stock policy. Does this Government have a feed-stock policy? The earlier Government did not have it. They were trying to divide them. Mr. Deve Gowda had assured that there would be a feed-stock policy. How much power will be generated by coal? How much fertilizer will be produced through gas? What will be our feed-stock policy? What do you mean by feed-stock? It means coal, oil and gas. How much will be the production of liquid fuel?. Do you have any such policy? You don't, have any feed-stock policy. That is why, sometimes you say, all power by NAPHTHA, sometimes, you say all gasbased power plants or all gas-based fertilizer plants. There is a shortage of natural gas. There are many fertilizer plants in the North-Eastern region which are running short of gas. The gas supply is affecting the production in the western zone also. So, ultimately, you will have to have a policy. The policy cannot be investment-oriented, that is, the way you are trying to think; and Mr. Yaswant Sinha gave sermons for the last two hours. This policy is not investment-oriented. It is product-oriented. What is mv objection? What do you want by

doing this? Have you decided as to what will be the role of the ONGC? Our biggest source of strength is the ONGC, the Gas Authority of India Limited, the IOC and all these oil companies. What are you doing about them? You have said in Lok Sabha that these companies will not be privatised. What does it indicate? On the one hand, you are saying that some .fellows should come. On the other hand, you are not doing anything about your own strength, that is, the ONGC and all these companies. What are your plans about these companies? From where will the oil come? What is your plan for the Indian Oil Corporation? Should I start with the ONGC? In regard to ONGC, the Government had accepted the recommendations of the Disinvestment Commission that the disinvestment in the ONGC may take place after effecting organisational and structural implementation of the new administered price mechanism policy, today, you are bringing a new administered price policy. What would be the next step?

So far as your decision is concerned, please be transparent with us. The decision has been taken to dismantle Administered Price Mechanism, and the Organisation Transformation Project has been taken up in association with McKinsey & Company, a leading international management consultant, in March, 1997. The OTP exercise is being conducted in phases. The work of the consultant is in progress.

Now I come to the Gas Authority of India Ltd. In respect of the Gas Authority of India Ltd., probably, the plan is this. "The percentage of Government holding in GAIL, after the proposed disinvestment, will be approximately 71 per cent." To what per cent do you want to bring the Government holding in the Gas Authority of India?

Coming to the Indian Oil Corporation, what are your plans? "As per the decision of the Cabinet, disinvestment up to 39 million shares of the equity held by IOC will be spread between the international and domestic markets." So, what are you trying for? You are not sure as to how much investment will come. This criticism is not for merely criticism's sake. For the last three-four days we have been discussing about infrastructure and all that. How much investment has come so far?

SHRI K. RAMAMURTHY: I would like to know, through you, Madam Deputy Chairperson, from the hon. Member whether he opposes the disinvestment or whether he opposes the disinvestment of a major Government holding. There is a defference between the two. So, I would like to know from the hon. Member whether he is opposing the disinvestment or whether he is opposing the disinvestment to the minimum of the major holdings of the Government.

SHRI DIPANKAR MUKHERJEE (West Bengal): Do you still have a doubt, Mr. Minister?

SHRI H. HANUMANTHAPPA (Karnataka): He neither supports it nor opposes it, but he criticises it!

SHRI DIPANKAR MUKHERJEE: I oppose it. The Minister is asking me a question. 1 have got an opportunity to reply. So far as the disinvestment of these Companies is concerned, Mr. Minister, the people who are there behind you know very well that we are totally opposed to it. You are new. That is why I am asking. If you remember, I had written a letter to you about the Bongaigaon Refineries. Why am I opposed to it? If you want to disinvest, please tell us what for you have brought this Bill. You want someone to come and explore! Why? You want someone to use that refined oil; you want someone to market the oil. Now I am telling you that these are your assets. I am asking you: Do you treat them as your assets?

SHRI K. RAMAMURTHY: It is very correct.

SHRI DIPANKAR MUKHERJEE: If you treat them as your assets, why do you want to dispose them off?

SHRI K. RAMAMURTHY: I am not disposing them off.

SHRI DIPANKAR MUKHERJEE: Then who is disposing them off?

SHRI K. RAMAMURTHY: I will explain.

SHRI' DIPANKAR MUKHERJEE: That is what you are going to explain! But who is disposing them off? The assets are not being utilised. You are only bothered about bringing in an Ordinance to woo some investors. We do not know how many investors will come. I am asking, "Would you kindly clarify what has happened to Tripura? Why was there only two rigs in Tripura?" We have told you many times that there must be three rigs. The point I am trying to stress is, if you really want to augment the oil production in the country, the first thing is to have an inner looking, to have a look into the measures which we have already taken. What for has this Ordinance been brought? It is to woo the investors. It is not for the on-shore activities of the organisations which we are having—ONGC, GAIL, etc. This is only to woo the investors from outside. If you are really interested in oil production, you tell me what you have been doing for the last eight months and why there was not a rig in Raniganj. So many times I have brought it to your notice, I have written so many letters to your Ministry, but there is no reply. Why can't ONGC work in Raniganj? Is it because of this Bill that the ONGC can't start the work in Raniganj?

SHRI K. RAMAMURTHY: There is no rig available.

SHRI DIPANKAR MUKHERJEE: There is no rig available! There is an order to transfer rigs from the Western Zone.

SHRI K. RAMAMURTHY: That is a different thing.

SHRI DIPANKAR MUKHERJEE: What is it? Madam, if this is the reply, then I need not speak. *...(Interruptions)...* If you say there is no rig available in the whole of this country, *...(Interruptions)...*

SHRI K. RAMAMURTHY: I will explain.

SHRI DIPANKAR MUKHERJEE: If you don't have a rig, you cannot do drilling. If you don't have a rig, if companies like ONGC don't have rig, then what for are you bringing this Bill? What is going to come, the rigs or the investors? Madam, I would like to have an assurance because this Resolution is there. I don't find any justification for bringing this Ordinance. I am not going to take it lightly. Mr. Minister, don't you know that I am opposed to disinvestment? You may say that they will take it a little further. It will not be so easy. I want an assurance from the Minister. Are you really interested in oil and gas? You can't get away with such a sweeping statement that there are no rigs available.

If this is the statement of the Minister here that there is no rig available for the Raniganj coal-bed methane exploration, then what for are we talking about this Bill? We are talking about a million tonnes of oil. We are talking about a million tonnes of coal-bed methane. If this is the reply that is expected of the Minister, I think there is no meaning in talking about this. What is the policy to be talked about? I take exception to this.

SHRI JIBON ROY (West Bengal): Madam, it relates to Tripura. It is a small State. Thee is abundant gas. But they cannot use it because it is not being explored and marketed. Now the hon. Minister is saying that because of the non-availability of rigs, it is not possible. They are globalising the economy. In Raniganj, the coal-bed is subsiding. They supplied coal over the last hundred years. Now an alternative rig is there. But he is saying that because of the non-availability of rigs, it cannot be explored. I hope you

would ask the hon. Miniscr to give an assurance that the rigs will be procured at the earliest possible time and the rigs will be made available.

SHRI DIPANKAR MUKHERJEE: Madam, I want a specific assurance from the Minister. I will not continue further if this is the thing. I want an assurance. This is not the first time that I am raising this issue. I have been raising it for the last one-and-a-half years. We are talking about a million tonnes of oil and gas. Will the Minister give us an assurance in respeset of coal-bed methane exploration? the ONGC is prepared to do the work. I am telling you that the ONGC is prepared to do the work. Let the clearance go from your Ministry. Are you interested?

THE DEPUTY CHAIRMAN: What is the problem? I am not understanding it. Let rne understand.

SHRI K. RAMAMURTHY: Madam, there is no problem as such. The hon. Member wanted coal-bed methane exploration at a particular place. This is an alternative fuel like gas. We are exploring oil from different sources, offshore and onshore. Likewise, the CBM is also one of the areas which is under the coal-bed. You can take the oil or gas, whatever is available. It is now available even in the sea-bed. It is only a question of priority. If you consider the CBM, it is given low priority. Why? Because we have abundant deposits in the offshore and onshore. We could not tap that because of so many reasons including investment and avilability of funds. The CBM is at the experimental stage. We arc doing it. How can I give an assuance to them? When I am telling him about the non-availability oi rigs, the hon. Member must know that it is owned by the ONGC. It has not owned five or six rigs. The other rigs which we are hiring in the international market has got some speciality. We have to have such rigs here for the CBM. That is what I am telling him. I don't know why the hon. Member is getting agitated, it is not my intention to make him agitated.

SHRI DEPANKAR MUKHERJEE: I think he has not explained it.

THE DEPUTY CHAIRMAN: I just want to put the things in proper *r^g^*. We try to explore oil onsh&T^VVriid offshore. What he is saying is that it is under the coal-bed. If it is there, it is still at the experimental stage. The Government or the ONGC has to see the viability or the cost of it, whether onshore exploration would be expensive or whether offshore exploration would be expensive or whether the new source of encrgey would be more expensive. Let the Minister tell us which is more viable, cheaper and cost-effect.ve so that the Members of Parliament will understand it.

SHRI DEPANKAR MUKHERJEE: I will explain it. He has not understood it.

THE DEPUTY CHAIRMAN: Let him clarify.

SHRI DEPANKAR MUKHERJEE: He has not understood it.

THE DEPUTY CHAIRMAN: Even I have not undersood what you are saying. That is why I want him to explain.

SHRI DEPANKAR MUKHERJEE: I will explain. Madam. This is a question of reserve. Before exploration, drilling is done; first, you have a survey. It has been proved beyond doubt that the Raniganj coal-bed area as well as the nearby Parbatpur area in Bihar have enough coal-bed methane which is as good a fuel as gas or oil. Since the reserve is there, it has also been decided that intial exploring would be done at Prabatpur and Raniganj. These two blocks have been identified for exploration purposes. The ONGC has been given the responsbility of doing first drilling in Parbatpur. This is the first drilling which has to be done. After that commercial production will start. In the case of Raniganj, the permission has not been accorded to the ONGC so

far. They are prepared to do this job. They can do this job. But there is no clearance from the Government.

The information which I have got is that, probably, a block is being offered to a private party. But for the last $1^1/^2$ years, neither is the private party nor is the ONGC doing the job. What I was trying to link up with this is that in case we are interested in fuel, oil, gas and coal-bed methane, then we should not have waited not have waited for $1^1/^2$ years. These rigs can be hired. They are hiring rigs. The Minister has to give an assurance. If the Government of India has no objection, ONGC will be prepared to do this job at the Raniganj coal-bed. I want this assurance from the hon. Minister that the Government of India does not have any objection if ONGC is given this block; otherwise, it will go to a private party. Whether it goes to a private party or a Government party, that is a different issue. We have already lost $1^1/^2$ years. How many years are you going to lose like this? This is not the time to talk about Tripura. There also they want more and more rigs because gas is available there. The hon. Minister was talking about investment and royalty. Shri Dave was also saying, "You are in a hurry. You are not discussing it with the States. You should discuss it with the States". These are the things. But if you are really interested in oil, there is need for an immediate action so that ONGC and other gas authorities which are under your control can have your best backing and support and the on-going process of oil exploration continues further. Will the Minister come forward? This is my question.

If the hon. Minister gives the clearance, rigs will be arranged by ONGC Mr. Minister, you just give a clearance.

SHRI K. RAMAMURTHY: Madam, 1 am sorry. It is the other way round. The hon. Member has rightly pointed out that on an experimental basis, one block, i.e. CBM, has already been cleared. So far as Raniganj is concerned, I have got the information just now. ONGC has applied for permission for the Raniganj block. So far, the Government of West Bengal has not cleared it. If they clear it, we will also clear it.

THE DEPUTY CHAIRMAN: Now you have got the assurance!

SHRI DIPANKAR MUKHERJEE: That is enough.

SHRI K. RAMAMURTHY: I give this assurance.

SHRI DIPANKAR MUKHERJEE: That is enough.

SHRI JIBON ROY: We would like to have an assurance about Tripura.

SHRI JHON. F. FERNANDES: Madam, we are discussing the Oilfields (Regulation and Development) Amendment Bill, 1998. *(Interruption).*

SHRI KHAGEN DAS (Tripura): Madam, six months ago, in Tripura, ONGC officials said that rigs were available which were lying idle in Silchar, Assam. If these rigs brought to Tripura, they will start oil exploration. They had given this assurance. I would like to have an assurance from the hon. Minister that rigs would be sent to Tripura for oil exploration.

THE DEPUTY CHAIRMAN: Let me bring the things to order.

SHRI JIBON ROY: Madam, I want to say one thing.

THE DEPUTY CHAIRMAN: Just one second.

SHRI JIBON ROY: This State has been cut-off from the rest of the country.

THE DEPUTY CHAIRMAN: Just a minute. What are we discussing today? Are we discussing about methane gas? We are discussing the Oilfields (Regulation and Development) Amendment Bill, 1998. We are discussing about- exploration in off-shore and on-

shore areas. This is our agenda. I would be very happy if you give a notice for discussion specifically on that subject. Then I would see to it that the Minister comes prepared to answer all your questions. Just now I have to adjourn the House. The rest of the discussion will take place tomorrow. I adjourn the House till 11 a.m. tomorrow, the- 9th December, 1998.

The House then adjourned at twenty-nine minutes past five of the clock till eleven of the clock on Wednesday, the 9th December, 1998.